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Statement submitted by New Humanity, a non-governmental organization in general consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31 of 25 July 1996.

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Poverty Eradication – Learnings From The Economy of Communion Project

In line with the United Nations Commission for Social Development's "Review of the First United Nations Decade for the Eradication of Poverty (1997-2006)," non-governmental organizations, international institutions, civil society, and private businesses face major responsibilities in the struggle to alleviate misery in the world. In this regard, the international NGO New Humanity offers for consideration by the Commission on Social Development, The Economy of Communion (EoC) Project consisting of companies with the primary goal of making a profit that they then can freely choose to use in creating jobs for the unemployed and to distribute much of the profits to benefit victims of poverty. They allocate one part of the profits to retained earning, a second part to people in need, and the third portion to advance the ideals of the Economy of Communion.

This proposal seemed to defy any economic logic, yet after fourteen years, 797 companies are today involved in the EoC. These include: 226 in Italy, 178 in Western Europe, 65 in Eastern Europe, 122 in Brazil, 60 in Argentina, 44 in Central America, 43 in North America, 41 in Asia, mainly the Philippines, 8 in Australia, 7 in Africa and 3 in the Middle East. They vary from small and medium-sized companies in various economic sectors: 202 in production, 159 in commerce, 385 in various services, and 51 others. They include 200 corporations, 58 partnerships, 288 individual proprietors, 30 co-operatives, and 15 non-profits, among others. Forty-eight companies have sales ranging from $1 million to $60 million. Seven companies have sales that exceed $10 million.

The Economy of Communion entrepreneurs agree to meet expected quality requirements and to provide socially responsible products and services, to pay taxes, not to pay bribes, to avoid polluting the environment, and to operate in an open manner with their employees, the public administration, and competitors in what we call reasonable "economic disarmament."

Beginning with the entrepreneur who has the power to mould his/her company according to his/her values and beliefs, the EoC seeks to put the human person in the forefront. The EoC highlights the figure of the entrepreneur, who, it claims, does not seem well represented by the "Homo Economicus", the model of a human person with the single goal of personal utility who only applies the logic of rational self-interest in decision making.

The EoC project stems from a "spiritual humus" that gives the EoC its identity and meaning. While maintaining a continuous and fruitful dialogue with various expressions of social economics, the EoC follows its own trajectory. Vera Araujo, a sociologist who has tracked this project from its inception, described the culture from which it has emerged in this way. The "EoC isn't a matter of being generous, of giving charity; it is not philanthropy or merely a way of providing assistance. It has to do with acknowledging and living the dimension of giving and giving of oneself as essential to one's own existence."

Solidarity in a spirit of "Brotherhood/Sisterhood"

In envisioning and carrying out business in this way while remaining fully inserted in the market, the experience of the EoC integrates the market and civil society, efficiency and solidarity, economy and communion. This creates a non-trivial model. If a market economy aims towards a sustainable future

for humanity and the eradication of poverty, it must allow for the development of behavior founded on socially responsible principles.

Three fundamental principles sustain most human communities: exchange, redistribution of wealth, and charitable giving. In the course of history, communities have existed without exchange but no communities have ever survived without some form of charitable giving. In our view, market economies that depend almost exclusively on the principles of contracts have a tremendous need to integrate these principles with the private sector's "principle of unconditional giving." How can we justify the extension of unconditional giving from the private sphere – which no one contests – to the economic sphere, i.e., to markets? Since the late 18th century, free people have espoused the goals of liberty, equality, and brotherhood/sisterhood. Liberty has found its full expression in the market economy. Equality has given rise to various forms of "the welfare state" founded on the redistribution of wealth.

Many have recognized brotherhood/sisterhood as an important element for a peaceful coexistence of people. For instance we can find explicit mention of brotherhood/sisterhood in article 1 of the Universal Declaration of Human Rights. However, the spirit of brotherhood/sisterhood still has a long way to go to enter, with equal rights, fully into the framework of modern society.

Unconditional giving could become a regulating principle of economics and of society if we recognized that acting towards one another in a spirit of brotherhood/sisterhood constitutes a necessary basis of society. The Economy of Communion embraces this idea and works concretely to demonstrate the benefits that brotherhood/sisterhood has on an economy and on society contributing to the achievement of the Millennium Development Goals.

A Different Attitude Towards Poverty

The EoC understands poverty in two different ways. With the first type, involuntary poverty, people suffer under conditions of misery usually caused and fomented by the injustice of other human persons. This involuntary poverty consists of indigence and misery due to a lack of the most basic means to sustain a dignified life worthy of human persons. We must work to eliminate this type of poverty with great commitment at all levels (personal and institutional), because it attacks the dignity of the human person, degrades all humanity, and prevents a human person's chance for happiness and fulfillment. Recently, New Humanity has supported various initiatives promoted under the leadership of the United Nations with the objective of fighting against this form of poverty and misery. For instance, we took part in the World Summit for Social Development in Copenhagen, the United Nations Expert Group Meeting in Copenhagen on Social Responsibility in the Private Sector. We participate on the NGO Working Group on Financing for Development and support the Millennium Declaration.

With the second type of poverty, voluntary poverty, people freely choose to live a life of poverty – not of indigence but of a detachment from possessions. Voluntary poverty stems from the awareness that as an individual, all that I am and all that I have has been given to me; likewise, to live voluntary poverty, I must also give or be ready to give, all that I have. Voluntary poverty provides a foundation for the dynamics of reciprocity and prompts us to free ourselves from looking at goods as absolute

possessions. If instead, we remain ready to make them gifts, we become free to love, the only thing that truly has importance.

In this way, the goods themselves become bridges rather than barriers to brotherhood/sisterhood, occasions of community, pathways of reciprocity, and a vehicle for eradicating involuntary poverty. Consequently, while people suffer and endure the involuntary poverty caused by persons or events beyond their control, living in accordance with voluntary poverty requires a free will choice. Therefore, in addition to the measures that directly address involuntary poverty, the economy of communion fights against misery and indigence by proposing a "freely chosen poverty" in accordance with the meaning of poverty found in Christian and other religious traditions. A freely chosen life of poverty enables those who choose it to understand the logic of communion and to experience the greater freedom and profound happiness characteristic of people living in communion with each other.

In summary, the humanism of the economy of communion aims at defeating the misery of indigence, i.e., the poverty that is not chosen but suffered, by inviting people who are not indigent to freely choose a moderate or poor style of life. This life-style choice becomes particularly important in developed societies for those who want to maintain a balance of social and environmental sustainability.

With the conviction that people can transform every interaction both inside and outside of a company into personal one-on-one encounters, the EoC logically alters the attitude towards the poor. Those who participate in the Economy of Communion project understand and consider people living in involuntary poverty as crucial stakeholders who actively contribute towards society and can join in spreading this concept of communion to other persons including those who live in similar circumstances of poverty.

The Economy of Communion offers much more than simply a process for the redistribution of goods and resources. It introduces a new process of production and providing services demonstrating that through the sharing of goods and services, a company generates a tangible output: the experience of communion. A new understanding of poverty emerges from the broad experience of the Economy of Communion. We might even use the term of a new "culture of poverty", where everybody involved would experience a climate of substantial equality between those who give and those who receive, since everyone gives and receives at the same time.

People assisted by the Economy of Communion find themselves on an equal level of human dignity. Many people who have received support from the EoC later have begun sharing spontaneously and voluntarily what they received. It does not come as a big surprise to find persons formerly in need of assistance among today's entrepreneurs of the Economy of Communion working to meet the needs of their brothers and sisters in the human family.

On the other hand, through the choice of voluntary poverty, the entrepreneur himself or herself becomes poor, not indigent, and out of love uses his or her talents to generate resources to be put in communion, even when that requires taking financial risks.

New Humanity's Economy of Communion Project put into practice in the economic field with its principles of brotherhood/sisterhood and of recognizing the inherent desire of each human person to help others in need represents a way that anyone can follow to fight the misery and extreme poverty that exists all over the world and contribute towards the eradication of poverty.